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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/813,745	03/21/2001	Thomas G. Siska	4361 P 002	3423
26958	7590	01/24/2006		
RICHARD C. HIMELHOCH Wallenstein Wagner & Rockey 311 S. WACKER DRIVE 53RD FLOOR CHICAGO, IL 60606-6622			EXAMINER NGUYEN, NGA B	
			ART UNIT	PAPER NUMBER
			3628	

DATE MAILED: 01/24/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/813,745

Applicant(s)

SISKA, THOMAS G.

Examiner

Nga B. Nguyen

Art Unit

3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 12 September 2005.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-33 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-33 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on September 12, 2005 has been entered.
2. Claims 1-33 are pending in this application.

Response to Arguments/Amendment

3. Applicant's arguments with respect to claims 1-33 have been considered but are moot in view of new grounds of rejection.

Claim Rejections - 35 USC § 101

4. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. Claims 31-33 are rejected under 35 U.S.C 101 because the claimed invention is directed to non-statutory subject matter, particularly, an abstract idea.

As to claims 31-33, the claimed invention is implemented as Non-Functional Descriptive Material *Per Se*. "A contracted loan product" is considered a non-functional descriptive material. Where certain types of descriptive material, such as music, literature, art, photographs and mere arrangements or compilations of facts or data, are

Art Unit: 3628

merely stored so as to be read or outputted by a computer without creating any functional interrelationship, either as part of the stored data or as part of the computing processes performed by the computer, then such descriptive material alone does not impart functionality either to the data as so structured, or to the computer. Such "descriptive material" is not a process, machine, manufacture or composition of matter. (Data consists of facts, which become information when they are seen in context and convey meaning to people. Computers process data without any understanding of what that data represents. Computer Dictionary 210 (Microsoft Press, 2d ed. 1994).)

Therefore, for the reason set forth above, claims 31-33 are non-statutory, because they are directed solely to a Non-Functional Descriptive Material *Per Se*.

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claims 1-33 are rejected under 35 U.S.C. 103(a) as being unpatentable over Levine et al. (hereinafter Levine), U.S. Patent No. 6,233,566.

Regarding to claim 1, Levine discloses a method of providing a loan to a borrower comprising the steps of:

offering a loan to a borrower through a first institution (column 8, lines 37-40; Mortgage Bank Correspondent (Banks or other lenders) market and originate loans directly to consumers);

providing said loan to said borrower (column 2, lines 13-60; lenders provide loans to borrowers);

providing money for said loan by the first institution (column 3, lines 20-28; issuing a check and forward it to the borrower);

collaborating with a second institution for said second institution to monitor and administer said loan (column 8, lines 40-44 and column 5, lines 5-35; Servicing Company monitor and collect monthly payments from the borrower);

obtaining said money provided for said loan from said first institution (column 3, lines 20-28; issuing a check and forward it to the borrower, i.e. borrower obtains money from lender); and

Levine does not disclose obtaining indemnification for said first institution of all risk for providing said money for said loan. However, Official Notice is taken that it is old and well known in the art to obtaining indemnification for an entity of all risk for providing a product. For example, an insurance company takes all risk when a car is damage or loss due to an accident by providing an amount of money to cover the damage or loss. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the well known feature above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 2, Levine discloses obtaining said loan in the name of the first institution (column 1, line 40-67; borrower obtains loan in the name of the lender).

Regarding to claim 3, Levine discloses wherein said indemnification is obtained entirely from said second institution (column 8, lines 40-44 and column 5, lines 5-35; Servicing Company monitors and collects monthly payments from the borrower; column 24, line 57-column 25, line 17; servicing company decides what action is required, such as filing a claim in bankruptcy, filing a claim in court for overdue payments, etc.).

Regarding to claim 4, Levine does not disclose wherein said indemnification is obtained in part from said second institution and in part from an insurance company. However, said indemnification is obtained in part from said second institution and in part from an insurance company is well known in the art of monitoring and collecting the payments of the loans from borrowers. For example, in the mortgage loan, the servicing company and the insurance company incorporates to monitor and collect monthly payments included home insurance from the borrowers. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to include the feature above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 5, Levine discloses wherein said first institution is a bank (column 8, lines 37-40; Mortgage Bank Correspondent).

Regarding to claim 6, Levine discloses wherein said second institution is a Commercial finance company (column 8, lines 41-44; Servicing Company).

Regarding to claim 7, Levine discloses said first institution marketing said commercial loan to a plurality of commercial borrowers (column 8, lines 37-40; banks or other lenders market loans directly to consumers).

Regarding to claim 8, Levine discloses wherein said loan provided to said borrower is a loan not presently offered by said first institution (column 14, lines 1-35; the lender post the loans for sale to mortgage bankers, the mortgage banker then resale the loans to the investors; column 8, lines 47-50; the investors then offer the loan for sale to the secondary market, thus the loan provided to borrower is no longer presently offered by the lender).

Regarding to claim 9, Levine discloses wherein said loan is a high risk loan (column 1, lines 40-48, non-conforming loans).

Regarding to claim 10, Levine discloses said first institution marketing said loan to a plurality of potential borrowers (column 8, lines 37-40; banks or other lenders market loans directly to consumers).

Regarding to claims 11-13, Levine discloses said second institution obtaining a competitive advantage from said marketing and said providing of money by said first institution and said first institution obtaining a competitive advantage from said obtaining indemnification from said second institution (column 14, lines 15-20; the loan originator publishes the loans for sale to mortgage bankers; figures 18-24; the second institution can bid on loans posted for sale by the first institution).

Claims 14-22 contain similar limitations found in claims 1-9 above, therefore, are rejected by the same rationale.

Regarding to claim 23, Levine discloses a method of distributing and monitoring a plurality of loan products marketed by an Intermediary company comprising the steps of:

offering a plurality of loan products through an Intermediary company, said loan products including loans provided directly by said Intermediary company (column 8, lines 37-40; Mortgage Bank Correspondent (Banks or other lenders) market and originate loans directly to consumers), and loans not provided directly by said Intermediary company (column 14, lines 1-35; the lender post the loans for sale to mortgage bankers, the mortgage banker then resale the loans to the investors; column 8, lines 47-50; the investors then offer the loan for sale to the secondary market, thus the loan provided to borrower is no longer presently offered by the lender);

marketing said plurality of loan products to a plurality of potential borrowers (column 8, lines 37-40; Mortgage Bank Correspondent (Banks or other lenders) market and originate loans directly to consumers) ;

supplying a borrower a first loan not directly provided by said Intermediary company (column 14, lines 1-35; the lender post the loans for sale to mortgage bankers, the mortgage banker then resale the loans to the investors; column 8, lines 47-50; the investors then offer the loan for sale to the secondary market, thus the loan provided to borrower is no longer presently offered by the lender);

collaborating with a Contractor to actively monitor said loan (column 8, lines 40-44 and column 5, lines 5-35; Servicing Company monitor and collect monthly payments from the borrower);

providing money for said first loan from said Intermediary company (column 3, lines 20-28; issuing a check and forward it to the borrower); and

delivering said money to said borrower (column 3, lines 20-28; issuing a check and forward it to the borrower);

Levine does not disclose obtaining indemnification for said first institution of all risk for providing said money for said loan. However, Official Notice is taken that it is old and well known in the art to obtaining indemnification for an entity of all risk for providing a product. For example, an insurance company takes all risk when a car is damage or loss due to an accident by providing an amount of money to cover the damage or loss. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the well known feature above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 24, Levine discloses providing said first loan in the name of said Intermediary company (column 1, line 40-67; borrower obtains loan in the name of the lender).

Regarding to claim 25, Levine discloses wherein said Contractor directly provides indemnification for said Intermediary company against 100% of said risk associated with said providing money for said first loan (column 8, lines 40-44 and column 5, lines 5-35; Servicing Company monitor and collect monthly payments from the borrower).

Regarding to claim 26, Levine discloses wherein said Contractor providing indemnification for said Intermediary company against part of said risk associated with said providing money for said first risk loan (column 24, line 57-column 25, line 17; servicing company decides what action is required, such as filing a claim in bankruptcy, filing a claim in court for overdue payments, etc.).

Regarding to claim 27, Levine discloses wherein said Intermediary company is a bank (column 8, lines 37-40; Mortgage Bank Correspondent).

Regarding to claim 28, Levine discloses wherein said Contractor is a commercial finance company (column 8, lines 41-44; Servicing Company).

Regarding to claim 29, Levine discloses a method of providing and managing a loan product comprising the steps of:

offering a plurality of loan products through a bank to a plurality of potential borrowers, said plurality of loan products including loan products directly managed by said bank and contracted loan products (column 8, lines 37-40; Mortgage Bank Correspondent (Banks or other lenders) market and originate loans directly to consumers);

marketing of said plurality of loan products by said bank to said plurality of potential borrowers (column 8, lines 37-40; Mortgage Bank Correspondent (Banks or other lenders) market and originate loans directly to consumers);

providing a contracted loan product to a borrower (column 2, lines 13-60; lenders provide loans to borrowers);

supplying money for said contracted loan product from said bank (column 3, lines 20-28; issuing a check and forward it to the borrower);

collaborating with a commercial finance company to administer said contracted loan product provided to said borrower (column 8, lines 40-44 and column 5, lines 5-35; Servicing Company monitor and collect monthly payments from the borrower); and

obtaining indemnification for said bank against all risk associated with said supplying money for said contracted loan product from said commercial finance company (column 24, line 57-column 25, line 17; servicing company decides what action is required, such as filing a claim in bankruptcy, filing a claim in court for overdue payments, etc.).

Levine does not disclose obtaining indemnification for said first institution of all risk for providing said money for said loan. However, Official Notice is taken that it is old and well known in the art to obtaining indemnification for an entity of all risk for providing a product. For example, an insurance company takes all risk when a car is damaged or lost due to an accident by providing an amount of money to cover the damage or loss. Therefore, it would have been obvious to one with ordinary skill in the art at the time the invention was made to modify Levine's to adopt the well known feature above for the purpose of providing more efficiency in monitoring the loans in order to reduce the risk for lenders.

Regarding to claim 30, Levine discloses obtaining collateral from said borrower for said contracted loan product; reviewing the collateral submitted by said borrower by

Art Unit: 3628

said commercial finance company, wherein the step of supplying money for said contracted loan product is based on said reviewing the collateral submitted by said borrower by said commercial financial company (column 5, lines 5-20; obtaining monthly payments from borrower).

Regarding to claims 31-33, Levine discloses a contracted loan product as described in claims 1, 5, 6 above, therefore, are rejected by the same rationale.

Conclusion

8. Claims 1-33 are rejected.

9. Any inquiry concerning this communication or earlier communications from the examiner should be directed to examiner Nga B. Nguyen whose telephone number is (571) 272-6796. The examiner can normally be reached on Monday-Thursday from 9:00AM-6:00PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Hyung S. Sough can be reached on (571) 272-6799.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the Group receptionist whose telephone number is (571) 272-3600.

10. Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

C/o Technology Center 3600

Washington, DC 20231

Art Unit: 3628

Or faxed to:

(571) 273-8300 (for formal communication intended for entry),

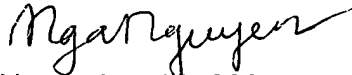
or

(571) 273-0325 (for informal or draft communication, please label

"PROPOSED" or "DRAFT").

Hand-delivered responses should be brought to Knox building, 501 Dulany
Street, Alexandria, VA, First Floor (Receptionist).

Nga B. Nguyen

A handwritten signature in black ink, appearing to read 'Nga Nguyen', written in a cursive style.

November 16, 2005